

# ACT No. 40

Regular Session, 2004

HOUSE BILL NO. 317

BY REPRESENTATIVE PINAC

## AN ACT

To amend and reenact R.S. 6:243(B)(2), relative to immovable property held by state banks; to revise the procedure for appraisal of such property; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 6:243(B)(2) is hereby amended and reenacted to read as follows:

§243. Immovable property; dealings

\* \* \*

B.

\* \* \*

(2)(a) A state bank shall obtain annually, within a reasonable time as determined by the commissioner, from a qualified appraiser a current appraisal of the fair market value of any such property valued at an amount greater than ~~one hundred~~ two hundred fifty thousand dollars and shall reduce the value of any property on its books if the fair market value has declined.

(b) For property valued at less than two hundred fifty thousand dollars, a state bank shall annually perform an adequate evaluation of such property. If it is determined after adequate evaluation that the property has a value that is less than its book value, then the book value shall be reduced to reflect the correct valuation of the property in accordance with policies adopted by the commissioner. The commissioner may require a state bank to obtain an appraisal by a qualified appraiser of a piece of property valued at less than two hundred fifty thousand dollars, if it is necessary for safety and soundness reasons.

(c) A state bank may, at its option, select the method of valuation as provided for in this Paragraph, or may reduce the value of the immovable property by at least one-tenth of the original book value each year that the property is held. The bank shall divest itself of that property within the ten-year period, regardless of which method of valuation is selected. The bank shall continue to apply said method consistently throughout the divestiture period.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_